

SECTION 320: GENERAL DESCRIPTION OF APPROPRIATIONS
AND ALLOTMENTS

1. Purpose. The primary purposes of accounting for appropriations and allotments in the central accounting system are to assure legal compliance with amount and purpose limitations applicable to appropriations, and to provide financial information from the records maintained.
2. Scope. Appropriations derive mainly from the State biennium budget process, but may also be made by the general statutes or by the Constitution. The budgetary process for appropriations includes the steps of (1) preparing the biennium budget request document, (2) submitting the biennium budget request document to the Legislature for consideration, and (3) executing the appropriations enacted into law. The scope of the procedures described in this and the following sections covers mainly the execution phase of establishing and maintaining the budgetary accounts for appropriations and allotments.
3. Responsibilities. The responsibilities of accounting for appropriations and allotments are described mainly in Chapters 37 and 40 of the HAWAII REVISED STATUTES (HRS). The organizations having these responsibilities are:
 - (a) Department of Budget and Finance. Section 37-31 describes the policy and intent of the Legislature to have the Director of Finance provide allotment control over appropriations. The allotment control powers are covered in Sections 37-32 through 37-41.
 - (b) DAGS Accounting Division. The responsibilities of the Comptroller are described mostly in Chapter 40 of the HRS. These responsibilities relating to appropriations and allotments include:
 - (1) Enforcing compliance with amount and purpose limitations applicable to the allotment of appropriations, and to the expenditure of allotments.
 - (2) Recording the appropriations and allotments in accounts established primarily for such funds control.
 - (3) Reporting on appropriations and allotments.
 - (4) Auditing of departmental accounting results and internal control systems.
 - (c) Departments and Agencies.
 - (1) Section 37-42 describes the responsibilities of departments and agencies in making expenditures and incurring obligations.

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Additionally, the liability imposed by statute for excessive expenditures is described.

- (2) Among the general responsibilities covered by Chapter 40, HRS, Section 40-67 describes the specific responsibility of departments and agencies for reporting to the Comptroller all unexpended balances remaining in appropriation accounts whose purposes have been accomplished or the reasons for which have ceased to exist.

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